United Nations A/64/547/Add.1

General Assembly

Distr.: General
18 June 2010

Original: English

Sixty-fourth session
Agenda item 129

Financial reports and audited financial statements, and reports of the Board of Auditors

Report of the Fifth Committee

Rapporteur: Ms. Yuliana Zhivkova **Georgieva** (Bulgaria)

I. Introduction

1. The previous recommendation made by the Fifth Committee to the General Assembly under agenda item 129 appears in the report of the Committee contained in document A/64/547.

2. The Fifth Committee resumed its consideration of the item at its 28th and 37th meetings, on 3 May and 18 June 2010. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records (A/C.5/64/SR.28 and 37).

3. For its further consideration of the item, the Fifth Committee had before it the following documents:

(a) Financial report and audited financial statements for the 12-month period from 1 July 2008 to 30 June 2009 and the report of the Board of Auditors on United Nations peacekeeping operations;[1]

(b) Report of the Secretary-General on the implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2009 (A/64/702);

(c) Related report of the Advisory Committee on Administrative and Budgetary Questions (A/64/708).

4. At the 28th meeting, on 3 May, a statement was made by the Chair of the Advisory Committee on Administrative and Budgetary Questions (see A/C.5/64/SR.28).

[1] *Official Records of the General Assembly, Sixty-fourth Session, Supplement No. 5* (A/64/5 (Vol. II)).

Please recycle

II. Consideration of draft resolution A/C.5/64/L.39

5. At its 37th meeting, on 18 June, the Committee had before it a draft resolution entitled "Financial reports and audited financial statements, and reports of the Board of Auditors" (A/C.5/64/L.39), submitted by the Chair of the Committee on the basis of informal consultations coordinated by the representative of Egypt.

6. At the same meeting, the Committee adopted draft resolution A/C.5/64/L.39 without a vote (see para. 7).

III. Recommendation of the Fifth Committee

7. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Financial reports and audited financial statements, and reports of the Board of Auditors

The General Assembly,

Recalling its resolutions 63/246 B of 30 June 2009 and 64/227 of 22 December 2009,

Having considered the financial report and audited financial statements for the twelve-month period from 1 July 2008 to 30 June 2009 and the report of the Board of Auditors on United Nations peacekeeping operations,[1] the report of the Secretary-General on the implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2009,[2] the report of the Advisory Committee on Administrative and Budgetary Questions on the report of the Board of Auditors on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2009,[3] and the oral statement by the Chair of the Advisory Committee,[4]

1. *Accepts* the audited financial statements of the United Nations peacekeeping operations for the period from 1 July 2008 to 30 June 2009;[1]

2. *Takes note* of the observations and endorses the recommendations contained in the report of the Board of Auditors;[5]

3. *Recalls* its resolution 48/216 of 23 December 1993, and emphasizes the importance of the coordination among the Board of Auditors, the Secretary-General and the Advisory Committee on Administrative and Budgetary Questions in reviewing the timelines of the issuance of respective reports related to the agenda item on financial reports and audited financial statements, and reports of the Board of Auditors, to ensure proper consideration by the Advisory Committee and the General Assembly, and requests the Secretary-General, the Advisory Committee and, through the Advisory Committee, the Board of Auditors, to include the result of the coordination in their respective reports submitted to the General Assembly during its sixty-fifth session;

4. *Takes note* of the observations and endorses the recommendations, excluding paragraph 31, contained in the report of the Advisory Committee on Administrative and Budgetary Questions[3] and in the oral statement by the Chair of the Advisory Committee;[4]

---

[1] *Official Records of the General Assembly, Sixty-fourth Session, Supplement No. 5* (A/64/5), vol. II.

[2] A/64/702.

[3] A/64/708.

[4] See *Official Records of the General Assembly, Sixty-fourth Session, Fifth Committee*, 28th meeting (A/C.5/64/SR.28).

[5] Ibid., *Supplement No. 5* (A/64/5), vol. II, chap. II.

5. *Commends* the Board of Auditors for the quality of its report and the streamlined format thereof;

6. *Takes note* of the report of the Secretary-General on the implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2009;[2]

7. *Notes with concern* the significant number of reiterated recommendations from previous years in the report of the Board of Auditors, and in this context emphasizes the need to strengthen administrative and institutional measures to address the root causes of recurring issues and to minimize the ageing of the Board's previous recommendations;

8. *Also notes with concern* the recurrence of problems previously identified by the Board of Auditors in regard to the management of expendable and non-expendable property;

9. *Requests* the Secretary-General to ensure the full implementation of the recommendations of the Board of Auditors and the related recommendations of the Advisory Committee in a prompt and timely manner, subject to the provisions of the present resolution;

10. *Also requests* the Secretary-General to strengthen the internal controls in the management of expendable and non-expendable property, strategic deployment stocks and other assets to ensure adequate safeguards that would prevent waste and financial loss to the Organization;

11. *Further requests* the Secretary-General to continue to indicate an expected time frame for the implementation of the recommendations of the Board of Auditors and the priorities for their implementation, including the office holders to be held accountable and the measures taken in that regard;

12. *Recalls* section D of its resolution 64/259 of 29 March 2010, and requests the Secretary-General to ensure that managers are effectively held accountable for the implementation of the recommendations of the Board of Auditors through the identification of priorities, clear time frames and an assessment of actions taken in that regard, in the context of the assessment of managers' performance mechanisms, and to report thereon in the context of the report of the Secretary-General on the implementation of the recommendations of the Board of Auditors;

13. *Requests* the Secretary-General to provide, in the next report on the implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations, a full explanation for the delays in the implementation of all outstanding recommendations of the Board, the root causes of the recurring issues and the measures to be taken;

14. *Recognizes* the value of the observations and recommendations with regard to the efficiency of the administration and management of United Nations peacekeeping operations, including the financial procedures, the accounting systems and the internal financial controls, without compromising the quality of the financial audit, and supports the continuation of these efforts.